

596-7006 (Oahu) and 1-800-600-7167 (Neighbor Islands) or visit their website at <http://www.compfinplan.com>.

FLEX PARK

This State program allows Employees to deduct eligible parking fees from pre-tax money. Eligible parking fees are those for parking assignments in a lot administered by the Department of Accounting & General Services. For more information, employees may visit the Department of Human Resources Development website at <http://hawaii.gov/hrd/main/EEBenefits/TaxSavingsBenefits/>.

RETIREMENT, SERVICE AND INCENTIVE AWARDS

The State and Department of Education have awards and incentives to recognize the years of service, retirement and achievement of employees. For more information, employees may contact the OHR-Health Benefits and Awards Unit at 586-3245 or via email at Employee_Benefits@notes.k12.hi.us.

WORKERS' COMPENSATION (WC)

The State Workers' Compensation Law (Chapter 386, HRS) provides benefits to Employees who suffer a work-related injury or illness. Benefits include the payment of medical expenses as the nature of the injury/illness requires for as long as reasonably needed, wage replacement, permanent disability or permanent partial disability, rehabilitation, services of an attendant, disfigurement and funeral and burial allowance. A portion of wages may be paid if employees are unable to work due to the work related injury or illness. Additionally, Employees are able to supplement their WC benefits with available sick and vacation leave credits. There is a mandatory three (3) day waiting period starting from the first day of disability, as certified by a licensed physician. WC benefits are provided at no cost to Employees. For more information, employees should contact the OHR-Workers' Compensation Unit at 587-4080.

TEMPORARY DISABILITY INSURANCE

Employees are eligible for benefits as specified by the Chapter 392, HRS, and Title 12, Chapter 11 of the State of Hawaii Administrative Rules. Employees who suffer a non-work related injury or illness may be eligible for temporary disability benefits. These benefits replace a portion of the wages up to a maximum of 26 weeks if all requirements are met. There is a mandatory seven (7) day waiting period starting from the first day of disability. Employees must exhaust all accumulated unused sick leave credits before receiving these benefits. These benefits are provided at no cost to eligible employees. For additional information, contact the OHR – Employee Background Check Unit at 586-4020.



Office of Human Resources
Health Benefits and Awards Unit
State of Hawaii • Department of Education

RS 13-1696 (Revision of 05-1483)
July 2013

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**RETIREMENT PLAN FOR STATE OF
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**RETIREMENT, SERVICE AND INCENTIVE
AWARDS**

WORKERS COMPENSATION (WC)

TEMPORARY DISABILITY INSURANCE

EMPLOYEES' RETIREMENT SYSTEM

Employees appointed for any period exceeding three (3) months and serves in positions requiring at least one-half of full-time equivalent, are members of the Employees' Retirement System (ERS) under a contributory, non-contributory or hybrid retirement plan as prescribed by State of Hawaii statutes effective the date of employment.

CONTRIBUTORY PLAN

Employees hired after July 1, 1945 and up to June 30, 1984 are members of the ERS contributory plan. Employees in the contributory plan contribute 7.8% of their gross monthly salary to the ERS.

Upon resignation, an employee with less than five (5) years of credited service, must within four (4) years of the effective date of resignation, withdraw contributions made to the retirement fund. Refund is made upon application by the member on a form that may be obtained from the ERS website at <http://ers.ehawaii.gov/> or from the ERS office.

Employees in this plan are eligible to retire at age 55 with a minimum of five (5) years of credited service or with 25 years of credited service regardless of age. Employees who are under age 55 but have a minimum of 25 years of credited service may elect early retirement with reduced benefits.

The normal retirement benefit is calculated as follows: $2\% \times \text{Years of Credited Service} \times \text{Average Final Compensation (AFC)}$.

NON-CONTRIBUTORY PLAN

Employees hired after June 30, 1984 and up to June 30, 2006 are members of the ERS non-contributory plan. Employees make no contributions to the ERS. No salary deductions are made from the gross salary of members.

Employees in this plan are eligible to retire at age 62 with a minimum of 10 years of credited service or at age 55 with a minimum 30 years of credited service. Employees at age 55 with 20 years of credited service may elect early retirement with reduced benefits.

The normal retirement benefit is calculated as follows: $1.25\% \times \text{Years of Credited Service} \times \text{AFC}$.

HYBRID PLAN

Employees hired on or after July 1, 2006 and up to June 30, 2012 are members of the ERS hybrid plan. Members of the contributory and noncontributory retirement plans were provided with an option to join the new hybrid plan or to remain in their current plan. Employees contribute 6% of their gross monthly salary to the ERS.

Employees in this plan are eligible to retire at age 62 with a minimum of five (5) years of credited service or at age 55 with a minimum 30 years of credited service. Employees at age 55 with 20 years of credited service may elect early retirement with reduced benefits.

The normal retirement benefit is calculated as follows: $2\% \times \text{Years of Credited Hybrid Service} \times \text{AFC}$.

If a member also has Noncontributory Plan service, benefit will be based on a split formula: $1.25\% \times \text{Years of Credited Noncontributory service} \times \text{AFC} + 2\% \times \text{Years of Credited Hybrid Service} \times \text{AFC}$.

On June 23, 2011, the Governor signed into law Act 163. The new law provides for retirement benefit changes under the Hybrid plan for employees who become members of the ERS after June 30, 2012. Employees hired on or after July 1, 2012 are eligible to retire at age 65 with a minimum of 10 years of credited service or at age 60 with a minimum 30 years of credited service. Employees contribute 8% of their gross monthly salary to the ERS.

The normal retirement benefit is calculated as follows: $1.75\% \times \text{Years of Credited Hybrid Service} \times \text{AFC}$

Additional information concerning Employees' rights and benefits may be obtained by contacting the State of Hawaii Employees' Retirement System at 586-1735, via their website at <http://ers.ehawaii.gov/> or by writing to the State of Hawaii Employees' Retirement System, 201 Merchant Street, Suite 1400, Honolulu, Hawaii 96813.

HEALTH BENEFITS

Eligible employees may enroll in benefit plans offered by the Hawaii Employer-Union Health Benefits Trust Fund (EUTF). Plans for medical/chiropractic, prescription drug, dental and vision, requires co-payments by the Employer and the employee. The monthly premium for the group life insurance is paid for solely by the Employer; however, the employee must enroll to receive coverage. Information about the plans and rates are provided in the EUTF Open Enrollment Guide for Active Employees or on the EUTF website at www.eutf.hawaii.gov.

During the plan year, when certain mid-year qualifying events occur, employees may be able to enroll, change or cancel their EUTF benefit plans. The following are common qualifying events: *acquisition of other coverage, adoption, birth, civil union, death of spouse or dependent, divorce, domestic partner, legal guardianship, loss of coverage, marriage, new eligible student, return from authorized leave of absence, retirement of spouse who is a State or county employee*. Employees have 30-days from the eligible event to submit original enrollment form and any applicable supporting documents to the DOE-Health Benefits and Awards Unit (HBAU).

You may reach EUTF at 586-7390 (Oahu) or 1-800-295-0089 (Neighbor Islands) for more information. Employees may also contact the OHR-Health Benefits and Awards Unit via email at Employee_Benefits@notes.k12.hi.us.

STATE OF HAWAII PREMIUM CONVERSION PLAN (PCP)

Under the PCP program, eligible employees may increase their take home pay by having the Employer deduct the cost of their health benefits premiums from their pay before taxes are withheld. For additional information, employees may access a detailed brochure

from the Department of Human Resources Development website at <http://hawaii.gov/hrd/main/EEBenefits/TaxSavingsBenefits/>.

TAX DEFERRED PROGRAMS

TAX-SHELTERED ANNUITY PROGRAM

Employees of the Department of Education are eligible to participate in the Tax-Sheltered Annuity (TSA) Program offered by the Department as provided in Chapter 303, Hawaii Revised Statutes and Section 403(b) of the United States Internal Revenue Code. Employees may make pre-tax contributions through payroll deductions and provide supplemental income to regular retirement benefits.

Employees may contact authorized local insurance agencies for additional information regarding this program, visit our website at www.hawaiidoe403b.com or contact the OHR-Health Benefits and Awards Unit at 586-3245.

STATE'S DEFERRED COMPENSATION PLAN (ISLAND SAVINGS PLAN)

Eligible State employees may participate in this voluntary pre-tax retirement savings plan offered by the State as authorized under Section 457 of the United States Internal Revenue Code and Chapter 88E of the Hawaii Revised Statutes. For more information, employees may visit the State's third party administrator Prudential Retirement website at www.prudential.com/islandsavings. Employees may also call 1-888-712-5642, write to or visit their office at 1100 Alakea St., Suite 1550, Honolulu, Hawaii 96813.

FLEXIBLE SPENDING ACCOUNT

The State's *Island Flex* flexible spending account offers two (2) ways to reduce Employees' federal and state withholding taxes and social security taxes:

1. Medical Flexible Spending Account (Medical FSA) allows Employees to pay eligible out-of-pocket unreimbursed health care expenses on a **before-tax basis**.
2. Dependent Care Flexible Spending Account (Dependent Care FSA) allows Employees to pay for eligible dependent care expenses on a **before-tax basis**.

Employees may contact the State's third party administrator, Comprehensive Financial Planning, Inc., at 596-7006 (Oahu) or 1-877-550-5552 (Neighbor Islands) or visit their website at <http://www.compfinplan.com>.

PTS DEFERRED COMPENSATION RETIREMENT PLAN FOR STATE OF HAWAII PART-TIME, TEMPORARY AND SEASONAL/CASUAL EMPLOYEES

Chapter 88F of the Hawaii Revised Statutes authorizes the State to implement this PTS Deferred Compensation Retirement Plan for part-time, temporary, and seasonal/casual employees of the State, who are not eligible to participate in the State's ERS. Employees' contributions to this PTS Plan replace contributions to Social Security. For more information, Employees may contact the Plan's third party administrator Comprehensive Financial Planning Inc. at